

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Balance Sheet
As of 10/31/2004

12/2/2004

	As of <u>10-31-04</u>	As of <u>6-30-04</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 553,740,430	\$ 551,572,082
INTERNATIONAL EQUITIES	349,842,917	349,409,895
DOMESTIC FIXED INCOME	193,000,286	182,967,765
INTERNATIONAL FIXED INCOME	69,578,228	62,533,112
REAL ESTATE	112,884,682	108,794,052
VENTURE CAPITAL	65,022,231	60,138,622
INVESTED CASH (NOTE 1)	<u>26,236,700</u>	<u>39,971,282</u>
TOTAL INVESTMENTS	1,370,305,474	1,355,386,810
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	6,351,668	6,145,079
CONTRIBUTIONS RECEIVABLE	5,060,247	6,354,427
MISCELLANEOUS RECEIVABLE	<u>0</u>	<u>256</u>
TOTAL RECEIVABLES	11,411,915	12,499,762
OTHER ASSETS		
OPERATING CASH (NOTE 2)	7,742,462	8,378,563
DUE FROM OTHER AGENCIES (NOTE 3)	<u>3,663</u>	<u>0</u>
TOTAL ASSETS	<u><u>\$ 1,389,463,514</u></u>	<u><u>\$ 1,376,265,135</u></u>
LIABILITIES:		
ACCOUNTS PAYABLE	1,198,117	1,198,117
ACCRUED EXPENSES	377,096	253,408
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>133,933</u>
TOTAL LIABILITIES	1,575,213	1,585,458
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,374,679,677	1,175,248,478
CASH IN DURING YEAR (NOTE 5)	42,220,000	130,189,850
CASH OUT DURING YEAR (NOTE 6)	42,220,000	130,189,850
NET INCREASE (DECREASE)	<u>13,208,624</u>	<u>199,431,199</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>1,387,888,301</u>	<u>1,374,679,677</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u><u>\$ 1,389,463,514</u></u>	<u><u>\$ 1,376,265,135</u></u>

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Profit and Loss Statement
For the Month Ended 10/31/2004

12/2/2004

	Month Ended <u>10-31-04</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 2,166,852	\$ 12,244,700
SECURITIES LENDING INCOME	79,908	312,950
	<u>2,246,760</u>	<u>12,557,650</u>
GAIN ON SALE OF INVESTMENTS	13,355,096	39,643,244
LOSS ON SALE OF INVESTMENTS	<u>9,323,957</u>	<u>31,858,251</u>
NET GAINS (LOSSES) INVESTMENTS	4,031,139	7,784,993
INVESTMENT EXPENSES	152,223	1,471,473
SECURITIES LENDING EXPENSES	62,471	234,682
SIB ADMINISTRATIVE EXPENSES	<u>10,347</u>	<u>41,262</u>
NET INVESTMENT INCOME	6,052,858	18,595,226
NET APPREC (DEPREC) MARKET VALUE	18,182,486	11,029,087
MISCELLANEOUS INCOME/(EXPENSE)	<u>(305,093)</u>	<u>(342,118)</u>
TOTAL INVESTMENT INCOME	23,930,251	29,282,195
CONTRIBUTIONS & ASSESSMENTS (NOTE 7)	5,553,131	12,782,572
PURCHASED SERVICE CREDIT (NOTE 8)	62,705	1,002,245
PENALTY & INTEREST (NOTE 9)	<u>20</u>	<u>1,148</u>
TOTAL ADDITIONS	<u>29,546,107</u>	<u>43,068,160</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 10)	6,998,771	28,128,009
PARTIAL LUMP SUM BENEFITS PAID	0	141,053
REFUNDS TO MEMBER (NOTE 11)	<u>508,530</u>	<u>1,115,334</u>
TOTAL BENEFITS PAID	7,507,301	29,384,396
ADMINISTRATIVE EXPENSES		
RIO ADMINISTRATIVE CHARGE	108,797	475,140
MISCELLANEOUS EXPENSES	<u>0</u>	<u>0</u>
TOTAL ADMINISTRATIVE EXPENSES	<u>108,797</u>	<u>475,140</u>
TOTAL DEDUCTIONS	<u>7,616,098</u>	<u>29,859,536</u>
NET INCREASE (DECREASE)	<u>\$ 21,930,009</u>	<u>\$ 13,208,624</u>

TEACHERS' FUND FOR RETIREMENT
Notes To Financial Statements
October 31, 2004

12/2/2004

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 INVESTED CASH

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2 OPERATING CASH

TFFR money market and checking accounts at the Bank of North Dakota.

NOTE 3 DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 DUE TO OTHER AGENCIES

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5 CASH IN DURING YEAR

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 6 CASH OUT DURING YEAR

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 7 CONTRIBUTIONS & ASSESSMENTS

Assessments on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution and assessment of 15.5 percent that must be remitted monthly.

NOTE 8 PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

TEACHERS' FUND FOR RETIREMENT
Notes to Financial Statements
10/31/2004

12/2/2004

NOTE 9

PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions and assessments.

NOTE 10

BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 11

REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.